

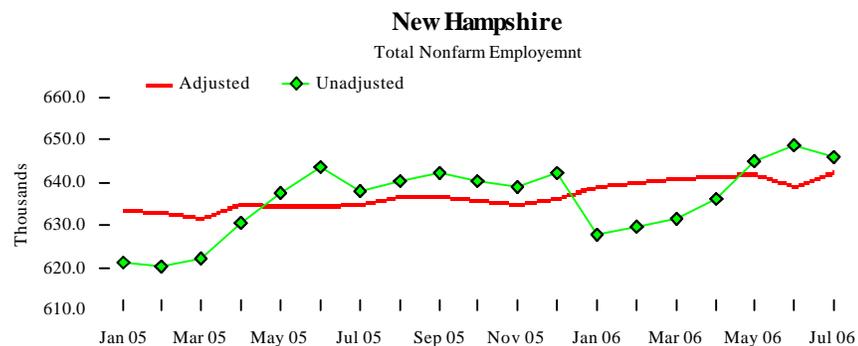
MONTHLY ANALYSIS OF INDUSTRY EMPLOYMENT DATA
New Hampshire, July 2006
B G McKay

Seasonally Adjusted:

New Hampshire employers expanded total nonfarm employment by 3,100 jobs in the state according to preliminary seasonally adjusted estimates for July.

Government (supersector 90) covered 1,100 of those added jobs, while leisure and hospitality (supersector 70) activities bumped the employment trend line up 900 notches. Trade, transportation, and utilities (supersector 40) increased its ranks by 800 positions, and education and health services (supersector 65) added 500 jobs to the mix. Other services (supersector 80) joined in with a 400-job increase, and professional and business services (supersector 60) and information (supersector 50) rounded out the plus side of the ledger when each added 100 jobs to the July employment picture.

On the down side of the books, financial activities (supersector 55) reduced its personnel strength by 500 positions. Construction (supersector 20) trimmed crew size by 300 slots, and manufacturing (supersector 90) dropped 100 jobs from its rolls.



Unadjusted:

The completion of another school term dominated the month, as the preliminary unadjusted estimates for July showed that total nonfarm employment in New Hampshire declined by 2,800 jobs. Government (supersector 90) with its 7,300-job reduction proved to be the driving force behind July's employment trend line movement. Manufacturing (supersector 30) contributed 1,100 jobs to the slide, as financial activities (supersector 55) dropped 500 jobs from its roster. Education and health services (supersector 65) wrapped the job reduction activities in July with a 300-job setback.

Unadjusted estimates for July showed that trade, transportation, and utilities (supersector 40) held its employment at the levels established in June.

As the summer vacation season swung into full gear, leisure and hospitality (supersector 70) increased its staffing level by 5,300.

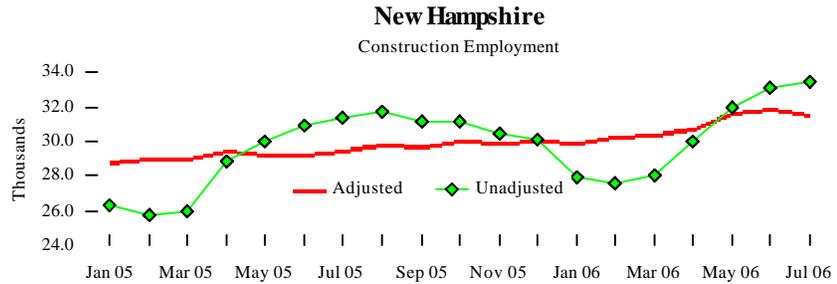
The remaining supersectors also added staff, but at a lessor rate. Other services (supersector 80) led that pack with a 400-job gain. Construction (supersector 20) followed with a 300-job gain, and professional and business services (supersector 60) edged employment levels up by 200. To wrap up July's employment activity, natural resources and mining (supersector 10) and information (supersector 50) each brought 100 additional workers on board.

NATURAL RESOURCES AND MINING

July's sample showed that logging (industry group 1133) pushed the employment total for natural resources and mining (supersector 10) up by 100.

CONSTRUCTION

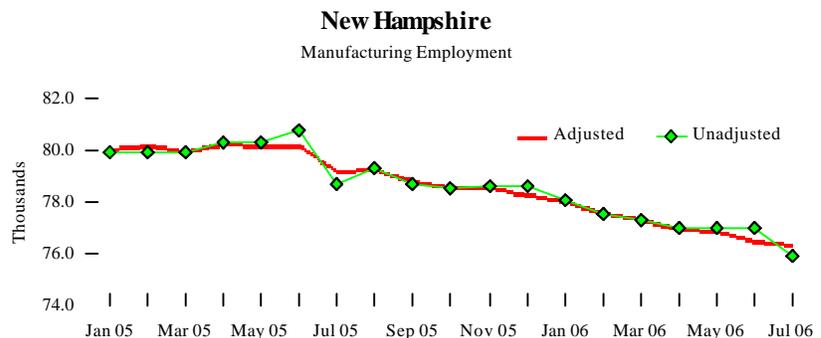
Specialty trade contractors (subsector 238) added 200 workers to the rolls, construction of building contractors (subsector 236) expanded its force by 100 positions to account for construction (supersector 20) in July's preliminary estimates.



MANUFACTURING

Traditionally in July, manufacturing (supersector 30) takes time for vacation and retooling. Tradition drove the 1,100-job decline in July estimates. Durable goods manufacturing trimmed back its work force by 800, and nondurable goods manufacturing cut back by 300 jobs.

Within durable goods manufacturing, computer and electronic product manufacturing (subsector 334) pared 200 jobs from its force. Inside subsector 334, semiconductor and other electronic component manufacturing (industry group 3344) dropped 400-jobs from the rolls, and navigational, measuring, electromedical, and control instruments manufacturing (industry group 3345) cut back by 100 jobs. All other published industries, in durable goods manufacturing held employment totals at the previous month's level.



The sample indicated that fabricated metal product manufacturing (subsector 332) and machinery manufacturing (subsector 333) played a mitigating role in July's estimates.

Both published industries in nondurable goods manufacturing posted no change to their respective employment levels in July's preliminary estimates. Beyond those two line items, most other elements of the nondurable goods manufacturing sector contributed to July's decline.

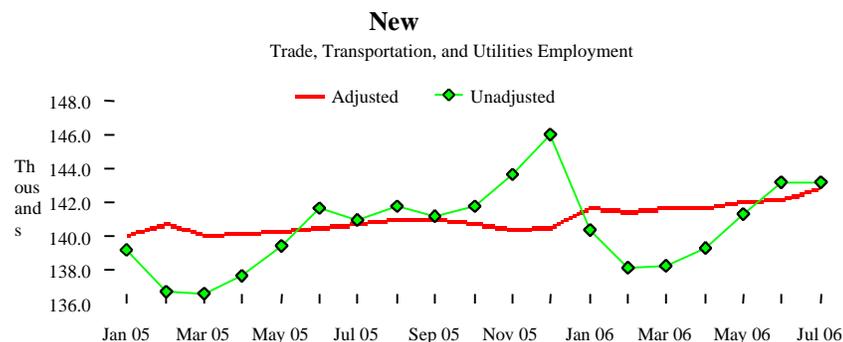
TRADE, TRANSPORTATION, AND UTILITIES

Employment totals in trade, transportation, and utilities (supersector 40) remained unchanged from the previous month's level in July's preliminary estimates. A 600-job drop in transportation, warehousing, and utilities offset the 500-job addition in retail trade and a 100-job gain in wholesale trade.

Merchant wholesalers – durable goods (subsector 423) accounted for wholesale trade's July increase.

Collectively, retailers in New Hampshire added 500 jobs to the state's economy. Food and beverage stores (subsector 445) accounted for 300 of those jobs.

Clothing and clothing accessory stores, and general merchandise stores (a combination of subsectors



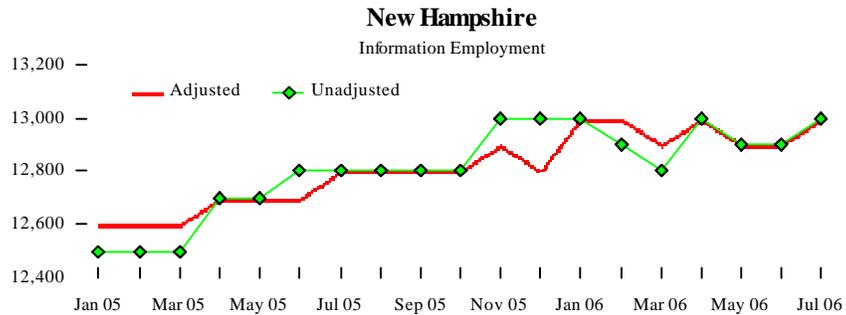
448 and 452) reduced staffing by 200 positions. Within that group, department stores (industry group 4521) covered the loss.

The two remaining published items did not register a change to their employment totals from June to July.

In the 600-job drop in transportation, warehousing, and utilities, transportation and warehousing cut its work force by 700 because of a reduced demand for school bus drivers during the summer months. Utility (sector 22) companies brought 100 summer hires on board in July.

INFORMATION

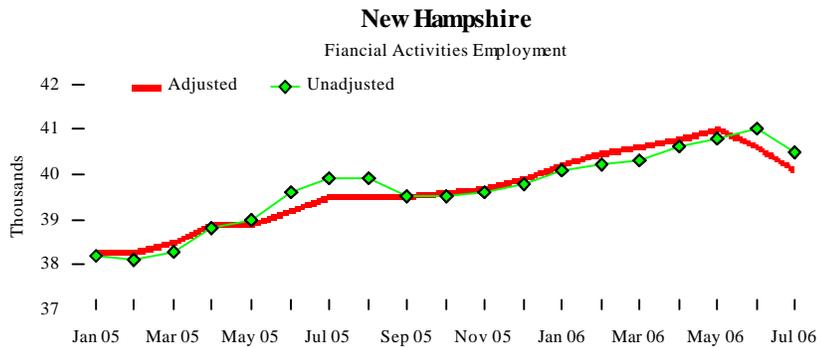
Software publishers (industry group 5112) and newspaper, periodical, book, and directory publishers (industry group 5111) combined to add 100 jobs to the information (supersector 50) employment total for July.



FINANCIAL ACTIVITIES

Financial activities (supersector 55) dropped 500 jobs from the rolls in July’s preliminary estimates. Real estate and rental and leasing (sector 53) cut its force by 400 jobs, while finance and insurance (sector 52) chipped in the other 100 jobs to the supersector’s July employment decline.

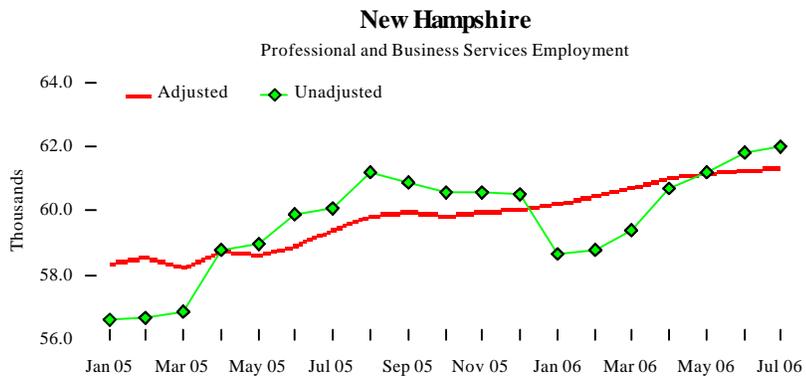
According to the sample, offices of real estate agents and brokers (industry group 5312) provided the impetus for the job reduction in sector 53, while activities related to credit intermediation (industry group 5223) played the major part for sector 52 in July.



PROFESSIONAL AND BUSINESS SERVICES

Professional and business services (supersector 60) employers pushed the employment trend line up by 200 notches in July’s preliminary unadjusted estimates.

Management of companies and enterprises (sector 55) increased staffing by 100 jobs, but professional, scientific, and technical services (sector 54) trimmed 100 jobs from the rolls to offset the sector 55 gain. Employment in administrative and support and waste



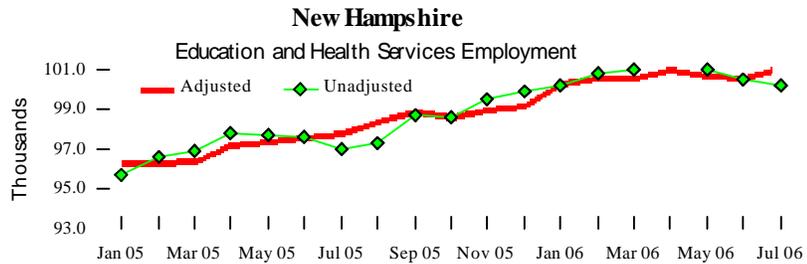
management and remediation services (sector 56) edged up by 200 jobs in July. Employment services (industry group 5613) supplied 100 jobs toward that total.

EDUCATIONAL AND HEALTH SERVICES

The overall 300-job drop in July employment totals for educational and health services (supersector 65) split between a 100-job decline in educational services (sector 61) and a 200-job slide in health care and social assistance (sector 62).

In sector 61, colleges, universities, and professional schools (industry group 6113) absorbed the job reduction for the sector, as many institutions moved into their summer hiatus.

The 200-job decline in sector 62 could not be explained by any of the published items in the sector. Ambulatory health care services (subsector 621) recorded a 200-job increase in the July estimates, and all other items remained unchanged in over-the-month activity.

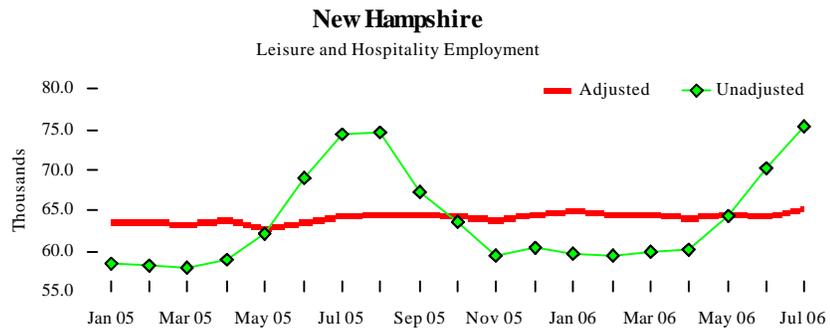


During July, child day care services (industry group 6244) cut back on staff for the vacation period.

LEISURE AND HOSPITALITY

Leisure and hospitality (supersector 70) moved into the high point of its peak season with a 5,300-job expansion in July. Arts, entertainment, and recreation (sector 71) increased its total by 1,800 jobs, and accommodation and food services (sector 72) expanded its force by 5,300 jobs.

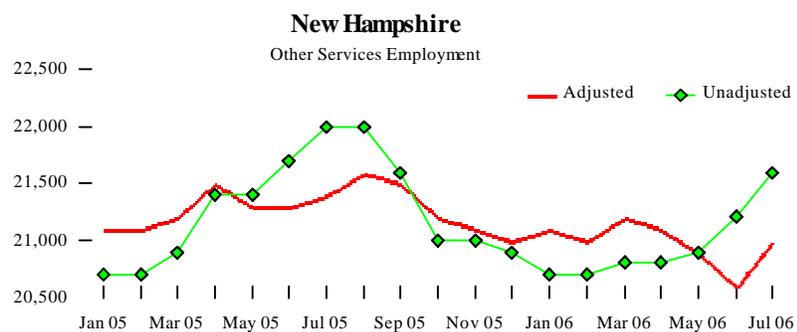
Amusement, gambling, and recreation industries (industry group 713) contributed 500 jobs to the sector 71 upturn. Performing arts, spectator sports, and related industries (subsector 711) and museums, historical sites, and similar institutions (subsector 712) made major contributions to the July employment growth.



Accommodations (subsector 721) with its 2,600 additional jobs captured the lion's share of the sector 72 July increase. Food services and drinking (subsector 722) chipped in 900 jobs to those totals. Within subsector 722, full-service restaurants (industry group 7221) added 800 jobs, while limited-service eating places (industry group 7222) kicked in 100 jobs to July's totals.

OTHER SERVICES

Religious, grantmaking, civic, professional, and similar organizations (subsector 813) provided the driving force behind 400 added jobs in other services (supersector 80).



GOVERNMENT

The wrap up of another school term figured prominently in the 7,300-job decline in government (supersector 90) employment in July's preliminary estimates.

Local government employment fell by 7,900 jobs, while state government put 600 workers on the rolls to support state parks and recreation areas.

Federal government employment totals held steady at the June level.

